



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

May 12, 2014

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

A handwritten signature in blue ink, appearing to read "W. T. Fujioka", is written over the printed name and title.

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

STATUS REPORTS ON COUNTY EFFORTS TO OPEN THE NEW MARTIN LUTHER KING, JR. COMMUNITY HOSPITAL (ITEM NO. 45-A, AGENDA OF NOVEMBER 12, 2013)

On November 12, 2013, on motion of Supervisor Mark Ridley-Thomas, your Board directed the Chief Executive Officer (CEO), in coordination with the Department of Health Services (DHS), to submit quarterly written status reports to the Board that describe the status of efforts to open the new Martin Luther King, Jr. (MLK) Community Hospital.

Since the last quarterly report in February 2014, there has been continued progress towards the goal of opening the new hospital in 2015. In April 2014, your Board approved a lease agreement with Martin Luther King, Jr.-Los Angeles Healthcare Corporation (MLK-LA), various budget adjustments to fully fund an updated financial assistance package and an indigent care agreement.

With the lease agreement completed, the County officially turned over physical possession of the MLK Community Hospital (which includes the Inpatient Tower and related ancillary buildings) to MLK-LA on May 7, 2014. MLK-LA will continue with their plan to staff and stock the hospital, including replacing contracted staff with permanent staff. Medical leadership is now in place with the permanent hiring of a Chief Medical Officer and Chief Quality Officer, both of which have University of California, Los Angeles (UCLA) appointments. Additionally, MLK Community Hospital and DHS' Martin Luther King, Jr. Outpatient Center staff continue to work together to create a plan

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for seamless patient care between the private and County facilities. In advance of hospital opening, as the operating partnership discussions unfold, if a determination is made to share certain services on the campus, DHS will return to your Board for approval of those agreements.

The revised financial assistance package approved by your Board in April 2014 included various grants and loans for MLK-LA to cover certain pre and post-hospital opening costs. In April 2014, the County provided MLK-LA with grant funds for equipment and operating costs. The County also continues to fund pre-hospital opening costs related to MLK-LA's Cerner electronic health record system implementation. On May 9, 2014, loan documents were executed that authorized MLK-LA to request a draw against the pre-hospital opening loan to fund operating and equipment costs.

In addition to the quarterly status reports provided by CEO in coordination with DHS, MLK-LA will provide monthly updates to your Board detailing the progress made towards hospital opening. If you have any questions or require additional information, please contact me, or your staff may contact Gregory Polk at (213) 974-1160 or gpolk@ceo.lacounty.gov.

WTF:GP
EB:bjs

c: Executive Office, Board of Supervisors
County Counsel
Health Services
MLK-LA
Public Works
University of California

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